



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 25, 2000

CERTIFIED RETURN RECEIPT
Z 230 748 236

Paul Lamoreaux
Alpine Gems & Minerals
195 North 200 East
P.O. Box 610
Parowan, Utah 84761

Re: Status of Small Mining Operation, Alpine Gems & Minerals, Marc #1, S/053/060, Washington County, Utah

Dear Mr. Lamoreaux:

On March 6, 2000, the Dixie U.S. National Forest (USFS) forwarded a copy of your Marc #1 plan of operations which they had received in December 1999. The USFS informed us that activity was already taking place at this project site. The USFS modified the plan and sent it back to you asking that you sign it, if it was acceptable to you.

The Division had some concerns regarding your plan and we awaited the signed plan the USFS sent to you to see if the plan would then address our concerns. We did not receive a response. Therefore, on May 17, 2000, we sent you a certified letter (which you received on June 2, 2000), stating that a \$100.00 permit fee was required by this Division for a small mining operation. We also sent you a Notice of Intention to Commence Small Mining Operations (Form MR-SMO), and asked that you complete the form and return it with the required \$100.00 permit application fee within 10 days.

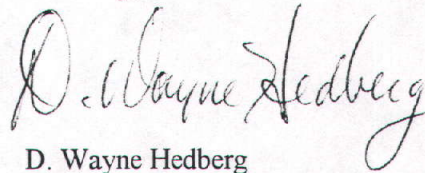
On June 30, 2000, our annual permit fee billing notices were sent out to all mine operators requesting payment of fees for the Division's new fiscal year (7/1/2000 - 6/30/2001). On July 10, 2000, we received fee payments for your three mine sites (including the Marc #1). Because the Marc #1 site was already active during the 1999-2000 fiscal year, the payment received for the Marc #1 mine site must be applied to the 1999-2000 fiscal year. We are still awaiting receipt of the previously requested small mining notice (Form MR-SMO). The required \$100.00 permit application fee must accompany the completed form and will be applied toward the 2000-2001 fiscal year billing cycle. We cannot process your small mining permit application form if the required fee is not attached.

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Mining without a valid permit from the Division of Oil, Gas and Mining is a violation of the Utah Mined Land Reclamation Act (Title 40-8). Please return the completed SMO form and the required \$100.00 permit application fee by September 8, 2000.

Thank you for your immediate attention to this matter. If you have any questions regarding this letter, please contact me at (801) 538-5286 or Doug Jensen at 538-5382.

Sincerely,

A handwritten signature in dark ink, reading "D. Wayne Hedberg". The signature is written in a cursive style with a large, stylized "D" and "H".

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosures: MR-SMO & billing statement
cc: Hugh Thompson, USFS, Dixie NF
S53-60-ltr